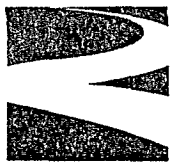


Reading



CALFED  
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## Memorandum

Date: June 3, 1997

To: Judy Kelly

From: Kate Hansel

Subject: Proposition 204, Category III Bond Funds

This memo lays out the time line and the steps that need to be taken to make the Proposition 204 funding available to the Resources Agency and CALFED for the Restoration Coordination Program. The funding is continuously appropriated to the Resources Agency to support the CALFED process.

- My first step is to put together a Loan Request from the Pooled Money Investment Account. DWR staff are helping me put the Loan Request together which needs to be submitted by June 18th to the Pooled Money Investment Board (PMIB) in order to be put on the agenda for the next PMIB meeting on July 16, 1997. Once approval for the loan is provided by the Board it should take 3 -5 days to transfer the funding to the Resources Agency.
- The Loan Request can be for funds to cover expenses to date and for anticipated costs over the next 12 months from the time the request is submitted. CALFED intends to request funding from the PMIB for (1) administrative costs expended to date and through the remainder of the federal fiscal year which totals approximately \$430,000, (2) administrative costs over the next 6 months for the National Fish and Wildlife Foundation contract (amount still to be determined), and (3) approximately \$40 million for project/grant costs.
- The Loan Request does not identify if the funds are for administrative or project/grant purposes. Therefore, it appears that reimbursement for the 3 percent administrative funding does not need to be coordinated with the expenditure of the project/grant funds.

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### CALFED Agencies

#### California

The Resources Agency  
Department of Fish and Game  
Department of Water Resources  
California Environmental Protection Agency  
State Water Resources Control Board

#### Federal

Environmental Protection Agency  
Department of the Interior  
Fish and Wildlife Service  
Bureau of Reclamation  
Department of Commerce  
National Marine Fisheries Service

Judy Kelly  
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- We do not need to receive approval from the Bond Finance Committee prior to submitting a Loan Request because DWR has authorized CALFED/Resources Agency to borrow against the \$142 million that DWR has already received approval for by the Bond Finance Committee.
- We are still working out the administrative details regarding how CALFED is reimbursed by the Resources Agency for administrative costs. For example, a new account/work order number needs to be set up with Agency that separates the administrative funds from the project/grant funds for accounting purposes. We are working with DWR budget office and accounting office and Agency to set up the process for reimbursement. We expect this process to be in place by early July before the PMIB approval of the loan.

cc: Steve Yaeger  
Millie Simmons  
Jeff Phipps  
Chet Winn, DWR  
Don Wallace, Resources Agency  
Marc Luesebrink, Resources Agency